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INFO RUEHBJ/AMEMBASSY BEIJING PRIORITY 0856

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STATE FOR ISN, EUR/AGS, NEA/IR, AND EAP/CM

E.O. 12958: DECL: 03/20/2017  
TAGS: [ETTC](#) [PARM](#) [PREL](#) [MTCRE](#) [KSACA](#) [GM](#) [IR](#)  
SUBJECT: (S) RESULTS OF GERMAN INVESTIGATION OF IRAN'S  
PROCUREMENT EFFORTS VIA CHINESE PROLIFERATOR

REF: A. 06 BERLIN 3112  
[1](#)B. 06 STATE 176369  
[1](#)C. 06 BERLIN 2402  
[1](#)D. 06 STATE 134740

Classified By: Global Affairs Counselor Donald R. Shemanski,  
for reasons 1.4 (b) and (d).

[1](#)1. (S) German MFA Export Control Division Desk Officer Andreas Kauke met Global Affairs officer March 12 and passed a German-language nonpaper in response to ref B and D demarches requesting German authorities to investigate attempts by the Chinese firm Bellamax to procure WMD-related items for Iran. Kauke said the German Federal Intelligence Agency (BND) agreed that the Iranian entity, Baharan Factories Group, for which Bellamax was acting, is involved in Iran's missile program. In addition, representatives of the German Federal Economic and Export Licensing Agency (BAFA) spoke to the two German firms involved, Draeger Safety AG & Co. KG and Hegewald & Peschke. The firms told BAFA that Bellamax had not ordered anything from them, according to Kauke, and that if it did, the firms would notify the authorities. Kauke said the BND was monitoring Bellamax's activities in Germany and would alert the USG to any significant developments concerning procurement attempts of dual-use items.

[1](#)2. (S) Begin unofficial embassy translation of German-language nonpaper:

With reference to the nonpapers from August 16, 2006, and November 20, 2006, concerning the procurement attempt by the Chinese firm Bellamax for the Iranian missile technology program, allow us to bring the following information to the attention of the U.S. authorities:

-- We thank you for the information on the connection between the procurement efforts by the firm Bellamax for the Iranian Baharan Factories Group (BFG) from the German firms Draeger Safety AG & Company and Hegewald & Peschke.

-- As already verbally communicated to you as an interim report on October 23, 2006, the Federal Intelligence Service (BND) was aware of the alleged procurement attempt from the firm Draeger and shared its assessment concerning the connection to the Iranian technology transfer program accordingly. The BND has been in contact with the U.S. partner service regarding this. The BND is intensively monitoring the firm Bellamax at this time.

-- The firm Draeger in the meantime was spoken to and sensitized. It informed us that it had not received any inquiries in regard to this case. If such an approach is made, however, Draeger will inform the Federal Economic and Export Licensing Agency (BAFA) without delay.

-- With respect to the procurement efforts by the firm Bellamax from the firm Hegewald & Peschke, the BND intended to get in contact with its partner service. Nothing is known yet concerning the result of these contacts. According to the BND, however, the test machine is not Missile Technology Control Regime-listed and a machine of the same technical capabilities could be delivered by a Chinese producer. According to its own account, no relevant inquiries have been made to the firm Hegewald & Peschke.

-- If, on the basis of monitoring the firm Bellamax, new information comes up, we will share it with you.

We are grateful for the continuing excellent cooperation in the area of export controls.

End text of German-language nonpaper.  
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